



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 24, 2003

Robert Hicken
Mountain Valley Stone Supply, Inc.
2276 South Daniels Road
P.O. Box 985
Heber City, Utah 84032

Re: Abatement of Notice of Noncompliance and Formal Approval of Notice of Intention to Commence Large Mining Operations, Mountain Valley Stone Supply, Inc., Brown's Canyon Mine, M/043/019, Summit County, Utah

Dear Mr. Hicken:

Abatement of Noncompliance

On May 14, 2002, the Division issued a Notice of Noncompliance and Division Directive to Suspend Mining Operations at the Brown's Canyon mine. The Division's enforcement action followed a May 3, 2002, inspection that found mining activities being conducted in violation of the existing small mining operations plan, the proposed large mining plan and the Administrative Rules.

Mountain Valley Stone was required to mitigate the following areas of concern:

- 1) within 30 days submit an acceptable \$55,400 reclamation surety.
Mountain Valley Stone has submitted a \$79,000 Letter of Credit (an amended notice proposed more disturbed area than was in the original notice). This mitigation item is satisfied.
- 2) immediately suspend all mining operations and removal of material.
An interim \$75,000 Letter of Credit was immediately submitted until the LMO was approved. Therefore, the operator was allowed to continue operating within the already disturbed area. This mitigation item is satisfied,

3) within 10 days re-establish permanent markers along property line between itself and Star Stone Quarries Inc. (Peoa Blonde).

Markers were immediately placed between the properties, which resulted in controversy between the two owners. Surveys were done and the property boundary was resolved.

This mitigation item is satisfied.

4) within 30 days obtain and stockpile sufficient soil material for reclamation.

The operator has identified sufficient soil resources on site for reclamation of the disturbed areas. This mitigation item is satisfied.

5) within 14 days submit permit amendment/revision to include all areas disturbed outside of the current proposed permit area (this may require an adjustment to the surety).

DOGM received Site Reclamation map and Surface Facilities map for this project, showing the additional proposed area to be disturbed. This mitigation item is satisfied.

6) within 30 days clearly mark the perimeter of the proposed permit area with t-posts or other suitable markers.

A December 11, 2002, inspection verified the markers were installed (inspection memo attached). This mitigation item is satisfied.

The six issues outlined in the Notice of Noncompliance and Division Directive have been resolved; therefore, the Notice of Noncompliance is now terminated.

Approval of Large Mining Notice

On December 18, 2002, the Division of Oil, Gas and Mining formally approved the form and amount of reclamation surety provided for Mountain Valley Stone Supply, Inc.'s Brown's Canyon mine. The reclamation surety in the amount of \$79,000 is in the form of a Letter of Credit (#S305076) issued by Keybank National Association.

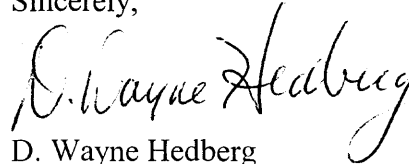
The Division hereby grants its final approval of your large mining Notice of Intention and the reclamation surety for Mountain Valley Stone Supply, Inc.'s Brown's Canyon Mine. You may continue with mining operations on the 26 acres as outlined in your large mining notice of intention. All mining is to be conducted within the perimeter boundaries of the 26-acre marked permit area as verified during the December 11, 2002 inspection.

Enclosed please find copies of the fully signed and executed Reclamation Contract, the Letter of Credit and a copy of the "approved" Notice of Intention for your files. If, in the future, you need to make any changes to your plan, please use the redline/strikeout method to show those changes on the specific page. Only those pages will need to be submitted for approval.

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Robert Hicken
M/043/019
January 24, 2003

Thank you for your help in finalizing this permitting action. Please call me, or Lynn Kunzler if you have any questions in this regard.

Sincerely,

A handwritten signature in cursive script, reading "D. Wayne Hedberg".

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment: 12/11/2002 inspection memo
Enclosure: Copy of Reclamation Contract, LOC & Approved Notice
cc: Lesli Burns, Summit County w/encl
O:\M043-Summit\m0430019-BrownsCyn\final\approval-ltr.doc

DOCUMENT TRACKING SHEET

USE THIS SHEET WHEN ITEM (S) SHOULD BE SCANNED TO SEVERAL PLACES, SUCH AS A BOND RELEASE FOR AN OUTGOING LETTER. THE LETTER WILL GO IN OUTGOING WITH THIS SHEET BEHIND IT REFERENCEING THE BOND RELEASE FINDINGS IS IN INTERNAL AND THE RECORD # IS ____.

PERMIT APPROVAL LETTERS WITH ATTACHMENTS USE THE DOCUMENT TRACKING SHEET FOR NOI

THE Site Inspection (what) ATTACHEMENT CAN BE FOUND IN
02 (year) Outgoing (folder) AS RECORD # 6016

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